Minnesota Public Utilities Commission

Staff Briefing Papers

Meeting Date:	June 19, 2014Agenda Item **5
Company:	Minnesota Power
Docket No.	E015/TL-14-21
	In the Matter of the Application of Minnesota Power for a Route Permit for the Great Northern Transmission Line Project in Roseau, Lake of the Woods, Beltrami, Koochiching and Itasca Counties, Minnesota
Issue(s):	What action should the Commission take regarding its charge related to Advisory Task Forces?
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Relevant Documents

Commission Order Finding Application Complete	July 2, 2014
Department of Commerce ATF Summary	August 8, 2014
Notice of Comment Period.	August12, 2014
Minnesota Power Reply Comments	August 19, 2014
Public Comments	August 27, 2014
Public Comments	

The attached materials are work papers of the Minnesota Public Utilities Commission staff. They are intended for use by the Commission and are based upon information already in the record unless noted otherwise.

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Statement of the Issues

What action should the Commission take regarding its charge related to Advisory Task Forces?

Project Overview

Minnesota Power, an operating division of ALLETE, Inc. (Applicant), is applying to the Minnesota Public Utilities Commission (Commission) for a Route Permit to construct the Great Northern Transmission Line (GNTL). The project includes an approximately 200-mile 500 kilovolt (kV) alternating current transmission line between the Minnesota-Manitoba border and the existing Blackberry Substation near Grand Rapids, Minnesota. The proposed project also includes associated substation facilities and transmission system modifications at the Blackberry Substation site, and a 500 kV series compensation station within, or adjacent to, the final approved route. The project is being proposed to fulfill the applicant's power purchase agreement with Manitoba Hydro, to meet regional energy demand, strengthen system reliability and to increase the applicant's generation diversity and renewable portfolio.

The applicant is evaluating several structure types and configurations for the project including a selfsupporting lattice structure, a lattice guyed-V structure and a lattice guyed delta structure. The applicant estimates that 4-5 structures per mile of transmission line will be required, resulting in span lengths of 1056 to 1320 feet between structures. The proposed structures will typically range in heights from approximately 100 to 150 feet above ground depending on the structure type and terrain. The typical right-of-way (ROW) required for the transmission line is expected to be 200 feet. In some areas a wider ROW may be required such as areas with longer spans, at angle structures, at corner structures, guyed structures or where design requirements are dictated by topography.

Statutes and Rules

The Commission has the authority to appoint an advisory task force (ATF) under Minn. Stat. § 216E.08. The Commission must determine whether to appoint a task force as early in the process as possible. If the Commission does not establish an advisory task force, a member of the public may request one, and the Commission must promptly consider the request. In addition to determining the size and composition of the task force, the Commission must specify in writing the charge to the ATF upon appointment.

Minnesota Statute 216E.08, subd. 1 requires that the Commission adopt broad spectrum citizen participation as an operating principal; and that public participation shall not be limited to public hearings and advisory task forces. The subdivision also specifies that the advisory task force(s) must be comprised of at least one representative from each of the following: regional development commissions, counties, municipal corporations, and one town board member from each county in which a site or route is proposed to be located.

The task force shall expire upon completion of its charge, upon designation by the Commission of alternative sites or routes to be included in the environmental impact statement, or upon the specific date identified by the Commission in the charge, whichever comes first. Expiration of the task force is also governed by Minnesota Statutes 15.059, subdivision 6.

Procedural History

On April 15, 2014, the applicant filed an application with the Commission for a route permit for its GNTL project under Minnesota Statutes Section 216E.03, subdivision 2 of the Power Plant Siting Act.

On July 2, 2014, the Commission issued an order finding the application complete, provided a charge for an advisory task force (ATF) and referred the matter to the Office of Administrative Hearings for a contested case proceeding. The Commission also authorized EERA staff to initiate an environmental review and to prepare an analysis of draft route alternatives to facilitate Commission input to the Commissioner of Commerce on the scope of the environmental impact statement prior to its issuance.

On August 8, 2014, the Department of Commerce Energy Environmental Review and Analysis (EERA) staff notified the Commission that, because of limited response to requests for participation in the ATFs, they were unable to identify representatives for the local units of government sufficient to fulfill the statutory requirements of Minnesota Statute 216E.08. EERA staff requested that the Commission reconsider the question of establishment of ATFs.

On August 12, 2014, the Commission issued a notice requesting comments on whether the Commission should cancel the ATFs, or whether the Commission should modify the structure and charge of the ATFs. Comments on the matter were accepted through August 22, 2014.

On August 19, 2014, Minnesota Power provided comments in response to the Commission's notice.

Summary of Comments on the Advisory Task Forces

In their August 8, 2104 letter, Department EERA staff provided an update on their efforts to establish ATFs. Department EERA staff indicated that responses to membership invitations have been insufficient to meet the ATF statutory requirements and requested that the Commission reconsider the directive to establish ATFs. Department EERA staff concluded that the establishments of ATFs should not be further pursued and indicated that they would continue to work directly with the respondents who were offered an opportunity to participate and accepted.

In their August 19, 2014 comments, Minnesota Power cited its previous comments on application completeness which stated that they believe that ATFs are fully consistent with the company's approach in developing the project as was recently recognized by the White House. Minnesota Power indicated that they have offered pre-application consultation meetings with each local

government within the project area as part of their public outreach program and that they look forward to continuing its active engagement with stakeholders going forward.

During the public comment period, comments were filed by the applicant and approximately eleven members of the public. Three of the public comments were from the Lawrence Township Board Supervisors who feel that the ATF process is necessary to reflect the interests of the residents, wildlife and environment. One member of the public was a member of the Balsam Township Board of Supervisors who wanted to sponsor two route alternatives and recommended potential participants for the ATFs. The remainder of the public comments generally supported the formation of ATFs

Staff Analysis

Staff has reviewed the record to date and met with Department EERA staff to discuss the ATF structure, charge and membership and other procedural matters. In response to the Notice of Comment Period, the Department EERA staff instead proposed to establish a more informal work group comprised of those individuals who reside in the eastern section of the proposed project and have expressed an interest in participating. As indicated in its ATF Summary, the Department EERA proposed to work separately with the few individuals from the western section of the project who earlier expressed an interest in participating on a task force in order to avoid the need for significant travel. The Department EERA staff noted that the time necessary to fully complete the ATF structure and charge as originally ordered would require at least two months and likely affect the schedule for its scoping decision.

Additional options for proceeding as a work group were discussed including the following:

- Inviting each of the respondents to two meetings.
- Providing summary information of the meetings.
- Providing geographic information systems at meetings to develop route alternatives and analyze impacts of proposed routes.
- Soliciting additional input from local governmental units through a questionnaire in order to evaluate any potential zoning conflicts.

Staff has incorporated these items into the decision options for the Commission's consideration.

Staff agrees with Department EERA staff that the level of response received in response to the Notice indicate little interest in participation.

Staff notes that ATF members are eligible for transportation reimbursement but it is uncertain whether it can be applied to work groups.

Commission Decision Alternatives

A. Advisory Task Force

- 1. Amend the Commission's July 2, 2014 Order to delete the ATF structure and charge.
- 2. Direct Department EERA staff to develop work group.
- 3. Include the following provisions for the structure and charge of the work group:
 - a. Provide at least two meetings for respondents who have expressed an interest in the advisory task force.
 - b. Direct the applicant to make geographic information systems available at one or both meetings.
 - c. Direct EERA staff to consult directly with local governmental units requesting that they identify any potential zoning conflicts with the proposed route alternatives once the scoping decision is issued.
- 4. Decline to amend the structure and charge for establishment of Advisory Task Forces.
- 5. Take some other action deemed appropriate.